PRESS RELEASE

NRG Energy Inc. to Acquire Direct Energy

Acquisition Expected to Add More Than Three Million Residential and Commercial & Industrial Customers Across 50 States and Canada, Supporting NRG's Integrated Strategy

To Enhance Free Cash Flow Strength and Stability

NRG Energy—Princeton, NJ – July 24, 2020 – NRG Energy Inc. (NYSE: NRG) today announced it has entered into a definitive agreement with Centrica PLC under which NRG will acquire Direct Energy, a North American subsidiary of Centrica PLC for $3.625 billion in an all-cash transaction.

The transaction builds on NRG's status as a growing, customer-driven integrated energy provider, adding more than three million retail customers across 50 states and Canada. The transaction on closing is expected to generate approximately $740 million in annual run-rate Adjusted EBITDA[1], while enhancing free cash flow strength and stability and providing earnings diversification.

With operations in all 50 U.S. states and 6 Canadian provinces, Direct Energy is one of North America's leading retail providers of electricity, natural gas, and home and business energy-related products and services. For NRG, the acquisition builds on and complements its integrated model, enabling better matching of power generation with customer demand. It also broadens NRG's presence into states and locales where it does not currently operate, supporting NRG's objective to diversify its business.

The combination will deliver greater efficiencies and enable continued investment in NRG's award-winning customer service, operational best practices and reliability. With NRG's decades of participation in electricity markets throughout the U.S., NRG has broad insights into energy market dynamics and trends to inform innovative solutions and products for the combined company's customers.

"This combination improves NRG's status as one of North America's premier integrated power companies, bringing the power of energy to people and organizations through our diverse generation platform and leading retail brands," said Mauricio Gutierrez, President and Chief Executive Officer of NRG. "The acquisition aligns with our broader strategy of perfecting our integrated business model and drives significant value creation for our customers and stakeholders. Direct Energy 's complementary assets, talented team and excellent customer service make it a natural fit for our portfolio, and we look forward to welcoming Direct Energy to the NRG team."

Strategic and Financial Benefits

- **Broader Retail Platform**

[1] EBITDA forecasts are based on NRG Energy's own estimates and should not be construed as a profit forecast for the purpose of Centrica's Listing Rule obligations under Listing Rule 13.5.

The transaction broadens NRG's retail business adding over 3 million customers. The transaction provides substantial regional diversity to NRG given that 76% of Direct Energy's Home Energy customers are outside of Texas. The transaction will allow the combined company to reduce costs and leverage shared best practices.

- **Balanced Generation and Retail Platform**
  Direct Energy's significant East footprint provides better balance within NRG's existing portfolio while also providing NRG the ability to expand its successful capital-light renewable PPA strategy outside of Texas.

- **Significant Cost and Operational Synergies**
  The acquisition is expected to create $300 million in annual run-rate synergies driven by leveraging NRG's scalable operational platform and best-in-class cost discipline.

- **Disciplined Capital Allocation**
  The transaction exceeds NRG's investment criteria and is accretive to free cash flow. In addition, NRG expects to achieve its targeted credit ratios within twelve months of closing, thereby maintaining its commitment to achieve investment grade credit metrics.

Financial Terms
NRG will acquire Direct Energy for $3.625 billion in cash, subject to a working capital adjustment.

Approvals and Time to Close
Closing for the transaction is targeted by year end 2020. The transaction is subject to customary closing conditions, consents and regulatory approvals, including approval by shareholders of Centrica PLC and the Federal Energy Regulatory Commission (FERC). The companies will also submit as pre-merger notification to the U.S. Department of Justice and the Federal Trade Commission under the Hart-Scott-Rodino Act, and the Commissioner of Competition under the Canadian Competition Act.

Advisors
Citi and Credit Suisse are serving as financial advisors and Latham & Watkins and Baker Botts LLP. are serving as legal counsel to NRG.

Investor Call
On July 24, 2020, NRG will host a conference call at 9:00 a.m. Eastern to discuss this announcement. Investors, the news media and others may access the live webcast of the conference call and accompanying presentation materials by logging on to NRG's website at http://www.nrg.com and clicking on "Presentations & Webcasts" in the "Investors" section found at the top of the home page. The webcast will be archived on the site for those unable to listen in real time.

About NRG Energy
At NRG, we're bringing the power of energy to people and organizations by putting customers at the center of everything we do. We generate electricity and provide energy solutions and natural gas to more than 3.7 million residential, small business, and commercial and industrial customers through our diverse portfolio of retail brands. A Fortune 500 company, operating in the United States and Canada, NRG delivers innovative solutions while advocating for

competitive energy markets and customer choice, and by working towards a sustainable energy future. More information is available at www.nrg.com. Connect with NRG on Facebook, LinkedIn and follow us on Twitter @nrgenergy, @nrginsight.

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Forward-Looking Statements

In addition to historical information, the information presented in this press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as "may," "should," "could," "objective," "projection," "forecast," "goal," "guidance," "outlook," "expect," "intend," "seek," "plan," "think," "anticipate," "estimate," "predict," "target," "potential" or "continue" or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about the Company's future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, the potential impact of COVID-19 or any other pandemic on the Company's operations, financial position, risk exposure and liquidity, general economic conditions, hazards customary in the power industry, weather conditions, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulations, the condition of capital markets generally, our ability to access capital markets, cyberterrorism and inadequate cybersecurity, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify, execute or successfully implement acquisitions, repowerings or asset sales, our ability to implement value enhancing improvements to plant operations and companywide processes, our ability to achieve margin enhancement under our publicly announced transformation plan, our ability to achieve our net debt targets, our ability to maintain investment grade credit metrics, our ability to proceed with projects under development or the inability to complete the construction of such projects on schedule or within budget, the inability to maintain or create successful partnering relationships, our ability to operate our business efficiently, our ability to retain retail customers, our ability to realize value through our commercial operations strategy, the ability to successfully integrate businesses of acquired companies, our ability to realize anticipated benefits of transactions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, and our ability to execute our Capital Allocation Plan. Achieving investment grade credit metrics is not a indication of or guarantee that the Company will receive investment grade credit ratings. Debt and share repurchases may be made from time to time subject to market conditions and other factors, including as permitted by United States securities laws. Furthermore, any common stock dividend is subject to available capital and market conditions.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA are estimates as of July 24, 2020. These estimates are based on assumptions the company believed to be reasonable as of that date. NRG disclaims any current intention to update such guidance, except as required by law. The foregoing review of factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements included in this press release should be considered in connection with information regarding risks and uncertainties that may affect NRG's future results included in NRG's filings with the Securities and Exchange Commission at www.sec.gov.